

**SCOTTSDALE CITY COUNCIL
REGULAR MEETING MINUTES
TUESDAY, SEPTEMBER 10, 2024**



**CITY HALL KIVA
3939 N. DRINKWATER BOULEVARD
SCOTTSDALE, AZ 85251**

CALL TO ORDER

Mayor David D. Ortega called to order a Regular Meeting of the Scottsdale City Council at 5:00 P.M. on Tuesday, September 10, 2024 in the City Hall Kiva Forum.

ROLL CALL

Mayor Ortega asked City Clerk Ben Lane to conduct the roll call.

Present: Mayor David D. Ortega; Vice Mayor Barry Graham; and Councilmembers Tammy Caputi, Tom Durham, Betty Janik, Kathy Littlefield, and Solange Whitehead

Also Present: City Manager Jim Thompson, City Attorney Sherry Scott, City Treasurer Sonia Andrews, Acting City Auditor Lai Cluff, and City Clerk Ben Lane

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Councilwoman Caputi.

MAYOR'S REPORT

Mayor Ortega called attention to the ongoing wars in foreign countries as they fight to protect their freedom and democracy and asked for a moment of silent reflection for these war-torn countries and for the safety of our military personnel.

Mayor Ortega proclaimed September Ovarian Cancer Awareness Month and presented a proclamation to Rachel Putnam, a survivor and advocate for ovarian cancer awareness.

CITY MANAGER'S REPORT

- **Scottsdale Community Services Summer Events and Programs Recap Video**
- **Fast Five Video Update**

Note: The Council may make comments or ask questions to the presenter(s); however, no Council action will be taken.

NOTE: MINUTES OF CITY COUNCIL MEETINGS AND WORK STUDY SESSIONS ARE PREPARED IN ACCORDANCE WITH THE PROVISIONS OF ARIZONA REVISED STATUTES. THESE MINUTES ARE INTENDED TO BE AN ACCURATE REFLECTION OF ACTION TAKEN AND DIRECTION GIVEN BY THE CITY COUNCIL AND ARE NOT VERBATIM TRANSCRIPTS. DIGITAL RECORDINGS AND CLOSED CAPTION TRANSCRIPTS OF SCOTTSDALE CITY COUNCIL MEETINGS ARE AVAILABLE ONLINE AND ARE ON FILE IN THE CITY CLERK'S OFFICE.

City Manager Jim Thompson introduced a recap video of the Scottsdale Community Services Summer Events and Programs which provided updates on several City events and programs that occurred during the last several months. He also introduced a "Fast Five" video produced by the City's Communications Office which provided updates on several City events and offerings.

PUBLIC COMMENT

Lee Kauftheil spoke about sales taxes and property taxes.

MINUTES

Request: Approve the following Council meeting minutes from July 2024:

- a. **Special Meeting Minutes of July 1, 2024**
- b. Executive Session Minutes of July 1, 2024
- c. **Regular Meeting and Work Study Session Minutes of July 1, 2024**
- d. **Special Meeting Minutes of July 2, 2024**
- e. **Regular Meeting Minutes of July 2, 2024**

MOTION AND VOTE - MINUTES

Councilwoman Janik made a motion to approve the Special Meeting Minutes of July 1, 2024; Executive Session Minutes of July 1, 2024; Regular Meeting and Work Study Session Minutes of July 1, 2024; Special Meeting Minutes of July 2, 2024; and the Regular Meeting Minutes of July 2, 2024. Councilwoman Whitehead seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Graham; and Councilmembers Caputi, Durham, Janik, Littlefield, and Whitehead voting in the affirmative.

CONSENT AGENDA

1. **Mason's Famous Lobster Rolls Liquor License (44-LL-2024)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for an existing location with a new owner.
Location: 15257 N. Scottsdale Road, Suite 155
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
2. **Royale India Liquor License (45-LL-2024)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for an existing location with a new owner.
Location: 8900 E. Pinnacle Peak Road, Suite E1
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
3. **Home2 Suites North Scottsdale Liquor License (46-LL-2024)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 10 (beer and wine store) State liquor license for an existing location with a new owner
Location: 20001 N. Scottsdale Road
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov

4. Saint Urban Liquor License (48-LL-2024)

Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for an existing location with a new owner.

Location: 8260 N. Hayden Road, Suite A100

Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov

5. Three Beans Café Liquor Licenses (50-LL-2024 and 51-LL-2024)

Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 7 (beer and wine bar) State liquor license and a Series 12 (restaurant) State liquor license for an existing location with a new owner.

Location: 7150 E. 5th Avenue, Suite 100

Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov

6. Termination of the McDowell & Scottsdale Corridor Single Central Business District

Request: Adopt **Resolution No. 13232** to authorize:

1. The repealing of Resolution No. 8356 and terminating the McDowell & Scottsdale Corridor Single Central Business District designation.
2. The initiation of a General Plan amendment to General Plan 2035 and Southern Scottsdale Character Area Plan to remove all references to the Single Central Business District.
3. The initiation of a text amendment to the City of Scottsdale Zoning Ordinance (No. 455) for the purposes of updating the Planned Community (P-C) District size requirements.

Staff Contact(s): Erin Perreault, Planning and Development Services Director, 480-312-7093, eperreault@scottsdaleaz.gov

7. Thompson Peak Park Dog Park Construction Phase Services Contract

Request: Adopt **Resolution No. 13201** authorizing Construction Manager at Risk Contract No. 2024-145-COS with Valley Rain Construction Corporation, in an amount not to exceed \$5,686,140.07, to provide construction services for the Bond 2019 Project 42 – Add a Dog Park to Thompson Peak Park.

Location: 19900 N. Hayden Road

Staff Contact(s): Dan Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov

City Engineer Alison Tymkiw gave a presentation on the proposed Thompson Peak Park Dog Park Construction Phase Services Contract.

8. Sports Field Lighting and Installation Job Order Contract Extension

Request: Adopt **Resolution No. 13209** authorizing Contract No. 2020-168-COS-A3, the third extension to the agreement with Musco Sports Lighting, LLC, in an amount not to exceed \$2,500,000, for a one-year term, for sports lighting, installation, and related material construction projects throughout the city.

Staff Contact(s): Dan Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov

9. **Aquifer Storage and Recovery Wells Project Construction Phase Services Contract**
Request: Adopt **Resolution No. 13212** authorizing Contract No. 2020-136-COS-A4 with MGC Contractors, Inc., a modification to the Construction Manager at Risk Contract, in an amount not to exceed \$18,121,671.96, for Phase 6, Phase 7, and Phase 8 of the construction phase services to construct the Aquifer Storage and Recovery Wells and related infrastructure at a guaranteed maximum price.
Staff Contact(s): Dan Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov
10. **Investment Consulting Services Contract**
Request: Adopt **Resolution No. 13206** to authorize:
1. Contract No. 2024-146-COS with the Innovest Portfolio Solutions, LLC, for investment consultant services for the City's 457 deferred compensation plan and post-employment health plan.
2. The City Manager, or designee, to execute any other documents and take such other actions as necessary to carry out the purpose of this Resolution.
Staff Contact(s): Monica Boyd, Human Resources Director, 480-312-2615, mboyd@scottsdaleaz.gov
11. **Fire Department Warehouse Lease Agreement**
Request: Adopt **Resolution No. 13215** to authorize:
1. Lease Agreement No. 2024-149-COS with 84th Street Industrial, LLC, to define the terms and conditions under which the city will lease certain real property for use by the Scottsdale Fire Department.
2. A Fiscal Year 2024/25 General Fund Operating Contingency Transfer, of up to \$431,928, to the Fire Department Operating Budget.
3. The City Manager, or designee, to execute such documents and take such other actions as necessary to carry out the intent of this Resolution and Agreement.
Location: 15820 N. 84th Street, Suite 200
Staff Contact(s): Tom Shannon, Fire Chief, 480-312-1821, tshannon@scottsdaleaz.gov
- Fire Chief Tom Shannon gave a presentation on the proposed Fire Department Warehouse Lease Agreement.
12. **Driving Under the Influence (DUI) Enforcement and Education Grant**
Request: Adopt **Resolution No. 13217** to authorize, if awarded:
1. Acceptance of a grant from the Arizona Governor's Office of Highway Safety, in the amount of \$120,000, to reimburse the City for overtime costs related to DUI impaired driving enforcement and education.
2. The City Manager, or designee, to conduct all negotiations and to execute and submit all documents and other necessary or desirable instruments in connection with the acceptance of the grant.
3. A Budget Transfer, in the amount of \$120,000, from the Fiscal Year 2024/25 Future Grants Budget and/or Grant Contingency Budget to a newly created cost center to record the related grant activity.
Staff Contact(s): Jeff Walther, Chief of Police, 480-312-1900, jwalther@scottsdaleaz.gov

13. Know Your Limit Awareness and Education Grant

Request: Adopt **Resolution No. 13218** to authorize, if awarded:

1. Acceptance of a grant from the Arizona Governor's Office of Highway Safety, in the amount of \$30,000, to reimburse the City for overtime costs related to Know Your Limit awareness and educational activities.
2. The City Manager, or designee, to conduct all negotiations and to execute and submit all documents and other necessary or desirable instruments in connection with the acceptance of the grant.
3. A Budget Transfer, in the amount of \$30,000, from the Fiscal Year 2024/25 Future Grants Budget and/or Grant Contingency Budget to a newly created cost center to record the related grant activity.

Staff Contact(s): Jeff Walther, Chief of Police, 480-312-1900, jwalther@scottsdaleaz.gov

14. Selective Traffic Enforcement Program Grant

Request: Adopt **Resolution No. 13219** to authorize, if awarded:

1. Acceptance of a grant from the Arizona Governor's Office of Highway Safety, in the amount of \$60,000, to reimburse the City for overtime costs related to the Selective Traffic Enforcement Program.
2. The City Manager, or designee, to conduct all negotiations and to execute and submit all documents and other necessary or desirable instruments in connection with the acceptance of the grant.
3. A Budget Transfer, in the amount of \$60,000, from the Fiscal Year 2024/25 Future Grants Budget and/or Grant Contingency Budget to a newly created cost center to record the related grant activity.

Staff Contact(s): Jeff Walther, Chief of Police, 480-312-1900, jwalther@scottsdaleaz.gov

15. Pedestrian and Bicycle Safety Education Grant

Request: Adopt **Resolution No. 13220** to authorize, if awarded:

1. Acceptance of a grant from the Arizona Governor's Office of Highway Safety, in the amount of \$70,000, to reimburse the City for overtime costs related to pedestrian and bicycle safety education and enforcement.
2. The City Manager, or designee, to conduct all negotiations and to execute and submit all documents and other necessary or desirable instruments in connection with the acceptance of the grant.
3. A Budget Transfer, in the amount of \$70,000, from the Fiscal Year 2024/25 Future Grants Budget and/or Grant Contingency Budget to a newly created cost center to record the related grant activity.

Staff Contact(s): Jeff Walther, Chief of Police, 480-312-1900, jwalther@scottsdaleaz.gov

16. Perfluoroalkyl Substances Settlement Agreement Participation

Request: Adopt **Resolution No. 13210** to authorize:

1. The City's participation in the settlements with Tyco Defendants and BASF Corporation in the United States District Court of South Carolina, *In Re: Aqueous Film-Forming Foams Product Liability Litigation*, MDL 2:18-mn-2873-RMG.
2. The City Attorney to file documentation required to participate in the settlements, including claim forms, with the District Court.
3. The City Manager, City Treasurer, City Attorney, and their respective staff, to execute any other documents and take such other actions as necessary to carry out the purpose of this Resolution.

Staff Contact(s): Sherry Scott, City Attorney, 480-312-2405, sscott@scottsdaleaz.gov

PUBLIC COMMENT – CONSENT AGENDA

Mayor Ortega opened public comment on the Consent Agenda items.

Lee Kauftheil, Scottsdale resident, spoke in support of Items 12 through 15 related to public safety grants.

Mayor Ortega closed public comment on the Consent Agenda items.

MOTION AND VOTE – CONSENT AGENDA

Vice Mayor Graham requested additional information on Item 7 [Thompson Peak Park Dog Park Construction Phase Services Contract] and Item 11 [Fire Department Warehouse Lease Agreement].

Councilwoman Janik made a motion to approve Consent Agenda Items 1 through 16. Councilwoman Whitehead seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Graham; and Councilmembers Caputi, Durham, Janik, Littlefield, and Whitehead voting in the affirmative.

REGULAR AGENDA

17. Infrastructure Development Agreement

Request: Adopt **Resolution No. 13193** to authorize:

1. Infrastructure Development Agreement No. 2024-137-COS with Hayden Loop 101 Investors, LLC, for cost reimbursement to design and construct water and sewer projects including portions of Infrastructure Improvement Plan Project IIP-004 and IIP-020.

2. The City Manager, or designee, to execute any such documents and take any such other actions as necessary to carry out the intent of this Resolution and Agreement.

Location: Crossroads East Area, generally between Scottsdale Road and Hayden Road

Presenter(s): Brian Biesemeyer, Water Resources Executive Director and Scott Mars, Water Resources Planning & Engineering Director

Staff Contact(s): Brian Biesemeyer, Water Resources Executive Director, 480-312-5683, bbiesemeyer@scottsdaleaz.gov

Water Resources Assistant Executive Director Kevin Rose gave a PowerPoint presentation (attached) on the proposed Infrastructure Development Agreement.

PUBLIC COMMENT – ITEM 17

There was no public comment on this item.

MOTION AND VOTE – ITEM 17

Councilmember Durham made a motion to adopt Resolution No. 13193. Councilwoman Littlefield seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Graham; and Councilmembers Caputi, Durham, Janik, Littlefield, and Whitehead voting in the affirmative.

PUBLIC COMMENT

No public comments were received.

CITIZEN PETITIONS

18. Receipt of Citizen Petitions

Request: Accept and acknowledge receipt of citizen petitions. Any member of the Council may make a motion, to be voted on by the Council, to: (1) Direct the City Manager to agendize the petition for further discussion; (2) direct the City Manager to investigate the matter and prepare a written response to the Council, with a copy to the petitioner; or (3) take no action.

Staff Contact(s): Ben Lane, City Clerk, 480-312-2411, blane@scottsdaleaz.gov

No citizen petitions were received.

MAYOR AND COUNCIL

19. Boards, Commissions, and Task Force Nominations

- Board of Adjustment (one vacancy) – Councilwoman Caputi nominated Paul Garry and Councilmember Durham nominated Jay Leopold.
- Building Advisory Board of Appeals (two vacancies) – Councilwoman Janik nominated Chad Bennett and Michael Kravit and Mayor Ortega nominated Frederick Dettmann.
- Citizens' Bond Oversight Committee (one vacancy) – Councilwoman Littlefield nominated April Holland; Councilwoman Whitehead nominated Britta McKee; and Councilmember Durham nominated Scott Sandell.
- Historic Preservation Commission (one vacancy) – Mayor Ortega nominated Rose Smith.
- Human Relations Commission (one vacancy) – Councilwoman Whitehead nominated Jeannie McKenna and Councilmember Durham nominated James Sommerville.
- Human Services Advisory Commission (three vacancies) – Councilmember Durham nominated Lee Cooley, Jeff Jameson, and Neal Shearer and Vice Mayor Graham nominated Ralph da Costa Nunes and Pamela Hallows.
- Judicial Appointments Advisory Board (two citizen representative vacancies) – Vice Mayor Graham nominated Aurea Flores and Carol Ann Petren; Councilwoman Caputi nominated Helene Weitzenkorn; and Councilmember Durham nominated Norman Spisak.
- Loss Trust Fund Board (one vacancy) – No applications were received.
- Tourism Development Commission (one industry representative vacancy) – Councilwoman Caputi nominated Chris Montgomery; Councilwoman Littlefield nominated Joanne Hildt; and Vice Mayor Graham nominated Darian Nguyen.

- Transportation Commission (two vacancies) – Councilwoman Janik nominated Kyle Davis and Kerry Wilcoxon and Vice Mayor Graham nominated Darren Wolf.

Note: The only Council action to be taken on Item No. 19 is to select nominees for appointment consideration at a future Council meeting (appointments scheduled for September 24, 2024).

MOTION AND VOTE – ADJOURNMENT

Mayor Ortega made a motion to adjourn the Regular Meeting. Councilwoman Janik seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Graham; and Councilmembers Caputi, Durham, Janik, Littlefield, and Whitehead voting in the affirmative.

ADJOURNMENT

Mayor Ortega adjourned the Regular Meeting at 5:52 P.M.

SUBMITTED BY:



Ben Lane, City Clerk

Officially approved by the City Council on October 8, 2024

CERTIFICATE

I hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Regular Meeting of the City Council of Scottsdale, Arizona, held on the 10th day of September 2024.

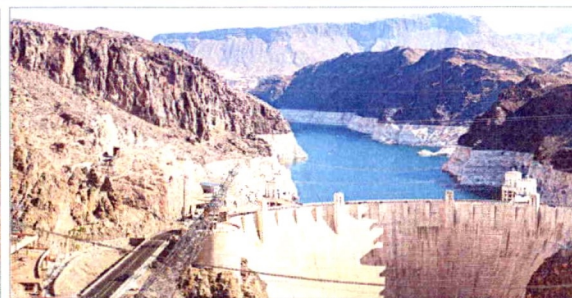
I further certify that the meeting was duly called and held, and that a quorum was present.

DATED this 8th day of October 2024.



Ben Lane, City Clerk

Infrastructure Reimbursement Agreement with Hayden Loop 101 Investors, LLC



September 10, 2024



Reasons for this Development Agreement

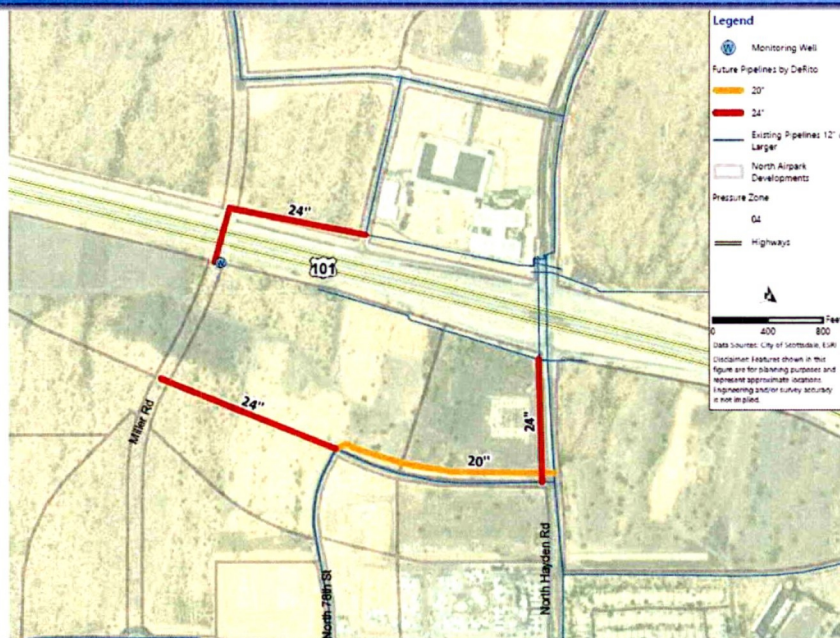
- Allows for the construction of a sewer line segment and multiple potable water line segments servicing the area north and south of the 101 between Hayden Road and Miller Road alignment sized for current and future development demands, minimizing community impacts as development of the area progresses
- Allows new water and sewer infrastructure to be constructed and available to serve new developments on an accelerated schedule (Note: The Infrastructure Improvement Plan (IIP) design start date for these projects was 2025)



Sewer Pipeline Segment Alignment



Water Pipeline Segments Alignment



Funding

- Hayden Loop 101 Investors LLC funds construction with reimbursement from the city for build-out capacity that is needed for its development (includes ASM, Banner, and other future development in the vicinity)
- Water and Sewer Development Fee funds will be used for the for each respective segment that will be constructed
- Reimbursement is capped to match the existing available capital budget (\$6,100,000 water and \$960,000 sewer) and the developer will fund any costs above the budgeted amount. No needed budget transfers associated with this reimbursement
- All infrastructure will be designed and constructed in accordance with Arizona Revised Statutes (ARS) Title 34 requirements

Staff Recommendation

Adopt Resolution No. 13193 authorizing:

- 1. The Mayor to execute Infrastructure Reimbursement Agreement No. 2024-137-COS with Hayden Loop 101 Investors, LLC and**
- 2. The City Manager or designee to execute any other documents and take such actions as necessary to carry out the intent of this resolutions and Contract 2024-137-COS**

Questions

